

INTER-ISLAND TO BEGIN DEFENSE OF ITS BOOKKEEPING

Night Sessions Planned To Hear
Comprehensive Case of
Attorney Warren

CROSS-EXAMINATION OF AUDITOR FIELD IS ENDED

All Issues Raised By Auditor To
Be Met By Company In
Voluminous Report

Cross-examination of H. Gooding Field, auditor for the public utilities commission in the investigation of the Inter-Island Steam Navigation Company, was completed yesterday by L. J. Warren, company attorney. Presentation of the Inter-Island's case will begin at the next hearing, tomorrow afternoon.

Night sessions will probably be held next week, as well as afternoon hearings, to provide time to cover the extensive range of the defense that Attorney Warren plans for the company's accounting methods. He is preparing to file with the commission a voluminous report covering, from the company's point of view, all the issues Field has raised and showing a complete audit of the company's books.

"We are going to throw down the bars and lay open every figure on our books to the commission's investigation," said Warren.

Company Retains Auditor

M. M. Graham, manager of the Audit Company of Hawaii, has been retained by the company to aid in this work and will be put on the stand as an expert witness for the company. In addition, company officials will testify.

With Charles E. Forbes, chairman of the commission, and Attorney Warren, the Inter-Island has a clear field for action, and rapidly brought to a close his questioning of Auditor Field, which for the last two weeks has been progressing as a duel of wits, words and repartee between the two.

Discussion yesterday centered on a charge of \$314,000 to the book value of the steamers in 1908, which is one of three points covered in a resume of the findings and recommendations made by Auditor Field in his report.

This resume, summarizing the auditor's conclusions, consists of:

First: A tabulation showing that the auditor believes the net profits of the steamers for the last eleven years are actually \$817,206.24 more than as shown on the company's books. Auditor Field's statement follows:

Net profits on operation of the steamers from December 31, 1905, to June 30, 1916, as shown by the books of the company, \$1,100,310.60

To which Field adds the amounts charged to operating expenses and paid out in stock dividends, \$17,206.24

This sum is made up of amounts from insurance fund, July 1, 1905, to June 30, 1916, \$95,992.81

From repairs fund, \$125,000, and from insurance fund, \$476,193.15, June 30, 1909, making 601,193.15

From insurance fund, \$77,078.71, and from construction and repairs fund, \$42,941.47, March 1, 1915, making 120,020.18

Total of actual net profits on operation of steamers from December 31, 1905, to June 30, 1916, \$1,917,516.84

Depreciation Again

Second: A recommendation regarding the floating property account, as follows: "To transfer from surplus to the steamer depreciation fund the sum of \$432,020.70, which was standing to the credit of this fund on December 31, 1915, and which was wiped out when 'Floating Property' of the company was arbitrarily reduced by a corresponding sum."

Third: A recommendation regarding the floating property account, as follows: "To reduce the floating property account by the sum of \$314,000 which was the amount arbitrarily charged to the book value of the steamers on December 31, 1908 when the floating property account was opened on the books of the company."

On the issues raised in this resume and issues growing therefrom, the argument has centered since the report was filed. Yesterday Attorney Warren questioned Field at length on the subject of the \$314,000 transaction without gaining any concessions from Field.

Increased Values

According to Field the \$314,000 was charged to the book value of the steamers, thereby increasing their value by that sum, and was credited to the insurance account and the construction and repairs account, \$264,000 to the former and \$50,000 to the latter. J. L. McLean, vice-president of the company, defended the transaction as being founded on sound financial methods.

On the subject of steamer net profits, Commissioners Carden and Gignoux quizzed Mr. McLean yesterday with particular reference to the charging of coal, merchandise and drydock facilities to operating expenses of the steamers. In this connection, Mr. McLean said:

"Doing the business that we do in the coal, ship chandlery and drydock departments, both with our steamers and with outside firms, we are able to give the steamers commodities and facilities at lower prices than the steamers would have to pay to get the same from other sources in Honolulu. From these departments we charge to the steamers at the current market prices.

MILLION PAID IN DIVIDENDS HERE

Hawaii Corporations Report Prosperous November; Local Stock Market Quiet During Month

Twenty-nine companies listed on the exchange paid \$1,106,000 dividends during November. In detail these were: November 1—Hoku, \$15,000; Koko, \$75,000; Pahi, \$22,500; Koloa, \$7,500; Pioneer, \$100,000; and Tongareva, \$3,000; in all \$223,000.

November 4, \$191,250—H. C. & S. Co., \$100,000; Honolulu, \$11,250; Hutcheson, \$50,000; Panahau, \$30,000.

November 10—Olaa, \$25,000.

November 15, \$251,000—Pepee, \$15,000; Waiola, \$90,000; O. E. & L. Co., \$32,500; Hawaiian Sugar, \$45,000; Pacific Sugar Mill, \$8,500; Oahu, \$60,000.

November 20—Alexander & Baldwin, \$50,000; Hawaiian Agricultural, \$30,000; Onomea, \$30,000; Hawaiian Electric, \$10,000; Pahang Rubber, \$3,000; in all \$123,000.

November 30—Ewa, 40 cents, \$100,000; C. Brewer & Co., \$150 and \$3.50 extra, \$150,000; I. L. S. N. Co., 65 cents, \$19,500; Kahuku, 10 cents, \$5,000; Hawaiian Pineapple, 25 cents, \$6,250; Honolulu Gas, 50 cents, \$2,500; Honolulu Brewing & Malting, 30 cents, \$7,500; in all \$292,750.

Bond sales during the month were \$2,300.

Sales of listed securities amounted to only 39,582 shares during November. Only twenty-four stocks were dealt in during the month, and there were no phenomenal increases or decreases in values. In only nine securities did sales exceed 1000 shares. Olaa led the trading with 15,885 shares, and McBrayde next, 7954 shares.

Market Outlook

Announcement was posted on the exchange yesterday that Kekaha Sugar Co. will pay an extra dividend of 1 per cent tomorrow, or \$15,000.

Business was dull in listed stocks, only 562 shares changing hands. There was a change in only two securities, Hawaiian Pineapple and Oahu each losing an eighth. Ewa, Hawaii Consolidated, By, "A," McBrayde, Hawaiian Commercial, Olaa and San Carlos held level.

The Yellow List

Unlisted stocks were very active, especially Mineral Products, which opened at 1.20, went up to 1.30 and closed at 1.28. Sales reported were 1900 at 1.20, 3100 at 1.23 1/2, 4750 at 1.25, 1000 at 1.27 1/2, 3200 at 1.30 and 125 at 1.28.

Tipperary sold half a point below par, the highest it has been for three months, with transfer of 300 shares.

Honolulu Oil, 3000 shares, brought 3.40; 500 Engela-Copper at 4.40 and 500 at 4.65; and 5700 Montana Bingham at 57 1/2.

Asks and prices were: Honolulu Oil, 3.45-3.55; California-Hawaiian, 10-14 cents; Engela-Copper, 4.65-4.70; Mineral Products, 1.27-1.29; Tipperary, 8.94-9.05; and Montana Bingham, 50-55 cents.

SIERRA TAKES MORE

THAN THOUSAND TONS

All available space in the Oceanic liner Sierra was taken by local shippers when she left Wednesday night for San Francisco, en route from Sydney. Only 700 tons had been booked for her shortly before her arrival, but she actually took away 1018 tons, in addition to 201 sacks of mail.

Her local cargo outward consisted of 2815 bags sugar, 10,875 cases canned pineapples, 3193 bunches bananas, 818 bundles hides and skins, 493 bags rice, one hundred mats rice, 115 crates fresh pineapples, 335 cases honey, eighty bags coffee, fifty kegs sake, 4000 lbs. barrels tallow.

The Mauna Kea, Hilo packet, will be laid up for twenty days starting from her return from Hilo Saturday morning.

This will allow time for her general annual overhauling which the Inter-Island company orders for all its boats. During her absence from the route her place will be taken by the Kilauea, just relieved from the Kona-Kau route.

The so-called "profit" accruing to the non-utility part of our business from this system is nothing more than a return on the investment in these enterprises, a profit to which the capital invested is entitled. We are selling coal to our steamers today at a price lower than it costs the coal plant to purchase it.

Reating Commission

James L. Coke, commission attorney, asked Field, "if it develops that the public utilities commission has no control over the company's coal, ship chandlery and drydock business as being non-public utility, could not coal, merchandise and drydock facilities be sold to the steamers at prices which might be raised so high as to keep the steamers always running at a loss?"

Field's answer was "Yes."

The bugaboo subject of the theoretical sum of \$432,020.70 on which so much discussion has been wasted popped up its spunk like head again yesterday but was religiously avoided. Commissioners and officials are coming to regard it as a group of numbers entirely surrounded by wind.

Attorney Warren's defense of the company's bookkeeping, accounting and financial methods promises to be as vigorous and comprehensive as the attack on these methods has been long drawn out and complicated. When the subject of night session was raised yesterday, Warren, McLean and Graham disclosed to the commission that they have been working nights for the last week or more preparing their facts and data for the commission.

FISH CANNERY MAY BE BUILT ON KONA COAST

With the double purpose of determining the fish conditions of these islands and the most suitable place for a tuna fish cannery, A. R. Todd, intimately associated with the salmon industry of Puget Sound and Alaska, has just returned to Honolulu after a fourteen days' cruise on the Kona, of the Oahu Shipping Company.

Mr. Todd in his cruise covered considerably more than a thousand miles, following the several currents and what are known as the fish banks of the different islands. He returned to Honolulu highly pleased with the trip, and while he will not say definitely what is to be the outcome, it is understood that a group of local business men has passed favorably upon his report.

The proposed cannery may be built on the Kona coast of Hawaii, as this is regarded as one of the most favorable places for such a plant by Mr. Todd. If established there, it was pointed out yesterday, the company will not be obliged to compete with the fresh fish markets in any way.

Mr. Todd's trip took him along the coast of Molokai, Lanai, Kahoolawe, Maui and Hawaii. He was accompanied by a crew of native seamen and fishermen.

"I cannot discuss the trip in any detail just now," said Mr. Todd yesterday, "but I don't mind saying that Hawaiian waters certainly abound in fish. I was reasonably sure that this was so before I made the trip, but I did not wish to go any further in the matter of the cannery until I was absolutely certain of it. We were out fourteen days. Several of these days were put in along the Kona coast of Hawaii, testing the currents and determining the feeding grounds of the fish. We also investigated several of the harbors along the line to determine the one best suited for our purpose, and our ultimate choice will probably fall between two or three."

FUMIGATE GRAIN TO SAVE STORED CROP

The losses of stored grain and farm products through insect agency foot up into the thousands of dollars every year. Here in this warm climate the grain moths and weevils do not wait for some crops to be harvested but commence their destructive attacks in the field. This is particularly the case with beans and corn.

Such losses in the field are hardly preventable but when the crop has been harvested further damage can be prevented by fumigating the stored product.

A. Sahr, agronomist of the Hawaii experiment station, will exhibit a specially made fumigating box at the Maui Fair by the use of which weevil injury can be absolutely prevented, other than the incidental damage done by the bugs in the field.

The money loss without fumigation is very high. The cost of fumigation is low. Hence the farmer who does not fumigate his corn and beans is not a good farmer.

Gassing The Bugs

Mr. Sahr's "smoke-box" is an airtight contraption five feet square, with perforated pipes running through its center. The grain to be fumigated is poured into an inner chamber and the bug-killing gas is liberated after the box is closed. Cyanide gas, carbon bisulphide, and formaline are the three gases used, depending on what the pest is that must be killed.

A 24-hour fumigation with gas of the right density will not only kill every grub, beetle or moth shut up with the beans or grain inside the box, but will prevent the eggs from hatching. Insect pests all start as eggs and unless these are killed fumigation is useless.

Mr. Sahr's fumigator will be a money saver and profit maker for Island farmers.

CANNED PEARS ON SHOW

"Canned pears" are not necessarily California pears. C. A. Sahr, agronomist of the Hawaii experiment station has been experimenting with alligator pears and has found that these can be successfully preserved.

Instead of cooking the avocados he immerses the whole fruit in a preserving solution warranted to kill any Mediterranean fruit fly eggs or larvae without injuring the flavor or quality. In this condition pears can be shipped out of Hawaii without breaking the federal horticultural quarantine laws.

Preserved specimens will be exhibited at the Maui County Fair where the method to be used will be fully explained. Only hard-shelled varieties are amenable to treatment. All soft skinned pears will continue to be consumed locally.

AUTO POWER GREAT

Automobile builders say that more power is being developed in the United States by motor engines than in all the commercial steam plants.

LAMBERT PROPERTY

CHANGES OWNERS

The Lambert property as such will soon be a thing of the past. During the past week the property passed into the hands of the Guardian Trust Company and that concern has sold 37,000 square feet of the land to the San Antonio Benevolent Society. The property acquired is immediately adjoining the present headquarters of the society.

A. D. Castro, executive officer of the society, when interviewed last night regarding the purchase declared that the society had a number of plans for using the property but that at present nothing definite had been decided upon.

The other 48,000 square feet of the property will be opened up as a home tract by the Guardian Trust Company. It will be known as the Halehala tract and will be subdivided into twelve lots. These lots will be 3400 square feet each and will be sold on easy terms.

The land will be made into lots to meet a growing demand for residence property in this district and it is believed that a number of small cottages and stores will be erected on the land in a short time.

The lots will sell for approximately \$1400 each, and they will be put on the market just as soon as the company builds a road into the tract. Sewer water and gas mains will be laid down in a short time, and the company believes that the lots will be sold at once.

JAMS AND JELLIES ON SHOW

The extension division of the Hawaii experiment station will exhibit a collection of jams, jellies, pickles and preserves prepared by Mrs. Dorothy Krause of Hialeah, at the Maui Fair. The object of this exhibit is to illustrate the wide range of fruits and vegetables available in Hawaii, many of them delicious additions to the bill of fare, made from unusual fruits.

A GERM DESTROYER

There is no danger whatever from lock jaw or blood poisoning resulting from a wound when Chamberlain's Pain Balm is promptly applied. It is an anti-septic and destroys the germs which cause these diseases. It also causes wounds to heal without maturation and in one-third the time required by the usual treatment. For sale by all dealers. Benson, Smith & Co., Ltd., agents for Hawaii.

SPORTS

Miss Schaefer and King Football A. L. Castle Win Finals of Doubles

Last Game of Second Set Goes
To Deuce Seven Times Before
Match Decided

In a tennis match in which the teeth of the second set went to deuce seven times before the point could be decided, Miss Pauline Schaefer and A. L. Castle defeated Miss Vera Beyfuss and B. Knollenberg in the finals of the mixed doubles yesterday afternoon on the Hawaii Polo and Racing Club courts. The score in each set was six to four.

The match was fast and the play of Miss Beyfuss and Miss Schaefer featured the game. Miss Beyfuss, in particular, was a star in the afternoon's contest. She displayed far greater ability with her racket than in any of the previous matches. Her ground play was marked and the manner in which she returned the hard serves of Mr. Castle stamped her as a tennis player of merit. The excellent manner in which she volleyed returns of her opponent's drives was responsible for the loss sets played.

Miss Schaefer aided her partner materially in winning the game. Her play at the net was very good. Like all off-handed tennis players, Miss Schaefer has a good back hand stroke. She used effectively throughout the play.

Castle played a hard consistent game, although he lost the match point four times in the last game of the second set. Knollenberg was decidedly off in his volley play. He seemed too anxious and had trouble in keeping the ball in. If Knollenberg had played a steadier game, being content to wait out the hot, the match undoubtedly would have gone three sets.

The match was featured by the last game of the second set. The score stood five to four when the tenth game sent to deuce. First the server and then the striker would have the advantage, until even deuces had been called.

At last, before Miss Schaefer and Mr. Castle succeeded in winning the game, set and match.

APPLICATIONS FOR SWIMMING RECORDS

The following applications for new swimming records have been filed with the record committee of the Amateur Athletic Union of the United States to be acted upon at its annual convention November 20 at New York City.

In the list will be noted the 100-yard backstroke record of Harold Kruger and the three records of Lady Langer in Honolulu during the swimming carnival in September.

One hundred yards bath (20), four turns—34 seconds; Perry McGilivray, Illinois A. C., Illinois A. C. bath, Chicago, February 3.

One hundred and fifty yards bath (25), five turns—1 minute 29 4/5 seconds; H. E. Vollmer, N. Y. A. C., New York Athletic Club bath, New York City, January 10.

Two hundred yards bath (25), seven turns—3 minutes, 34 2/5 seconds; H. E. Vollmer, N. Y. A. C., New York Athletic Club bath, New York City, April 10.

Two hundred and twenty yards bath (25), eleven turns—2 minutes, 26 2/5 seconds; H. E. Vollmer, N. Y. A. C., New York Athletic Club bath, New York City, April 10.

Three hundred yards bath (25), seven turns—3 minutes, 34 2/5 seconds; H. E. Vollmer, N. Y. A. C., New York Athletic Club bath, New York City, July 18.

Three hundred meters bath (25), thirteen turns—3 minutes, 55 2/5 seconds; H. E. Vollmer, N. Y. A. C., New York Athletic Club bath, New York City, July 18.

Five hundred yards open salt water (100), four turns—6 minutes, 11 2/5 seconds; Lady Langer, Los Angeles A. C., Honolulu, Hawaii, September 2.

Five hundred meters bath (25), twenty-one turns—6 minutes, 51 3/5 seconds; H. E. Vollmer, N. Y. A. C., New York Athletic Club bath, New York City, July 18.

Eight hundred and eighty yards open salt water (100), eight turns—11 minutes, 29 2/5 seconds; Lady Langer, Los Angeles A. C., Honolulu, Hawaii, September 4.

One thousand yards open salt water (100), nine turns—13 minutes, 7 2/5 seconds; Lady Langer, Los Angeles A. C., Honolulu, Hawaii, September 4.

One hundred yards breaststroke, bath (25), four turns—1 minute, 10 4/5 seconds; M. McDermott, Illinois A. C., Illinois Athletic Club bath, Chicago, March 2.

Two hundred yards breaststroke, open water (50), three turns—2 minutes, 15 1/5 seconds; M. McDermott, Illinois A. C., Put-in-Bay, Ohio, July 18.

One hundred yards backstroke, bath (25), three turns—1 minute, 8 2/5 seconds; Russell Dean, Yale Swimming Association, New York Athletic Club bath, New York City.

One hundred yards backstroke, open water (100)—1 minute, 14 1/5 seconds; Harold Kruger, Honolulu, Hawaii, September 4, 1916.

Four hundred yards relay bath (20), four men, one hundred yards each—3 minutes, 42 3/5 seconds; Illinois A. C. team (above four and D. L. Jones, 58 seconds, Illinois Athletic Club bath, Chicago, April 27.

Five hundred yards relay, bath (20), five men, one hundred yards each—4 minutes, 40 3/5 seconds; Illinois A. C. team (above four and D. L. Jones, 58 seconds, Illinois Athletic Club bath, Chicago, April 27.

* World's records under international swimming federation laws.

King Football Ends 1916 Career On Mainland

Cornell Plays Penn; Brown Meets
Colgate; California Clashes
With Washington

The reign of king football in 1916 ends today on the mainland gridiron. While no championships remain to be decided, there are, nevertheless, many contests of importance. The season has given five undefeated eleven teams: Pittsburgh, Army, Ohio, Washington, and Oregon.

If comparative scores counted it might be said that the Army looks like the best team in the East. In the second game of the season Pittsburgh defeated the Navy twenty to nineteen, while the Army bent the middies fifteen to seven. But it is undoubtedly true that Pittsburgh would have run up a greater score, had the game been staged later in the year.

Ohio stands as the Middle-Western champion, while in the West the title remains between Washington and Oregon, both teams playing to a tie in their only contest of the year.

The Cornell-Pennsylvania battle at Philadelphia should be close, while Brown will be a strong favorite over Colgate.

The University of Southern California will play a return game with Washington at Seattle today. After the decisive defeat by Dobie's men, California will be anything but a favorite in the battle.

Games today:

At Philadelphia—U. of Penn. vs. Cornell.

At Pittsburgh—Penn State vs. U. of Pittsburgh.

At Providence—Brown vs. Colgate.

At Lincoln—U. of Notre Dame vs. U. of Nebraska.

At Denver—U. of Denver vs. Colo. Mines.

At Portland—U. of Oregon vs. Multnomah A. A. C.

At Seattle—U. of California vs. U. of Washington.

At Walla Walla—Whitman vs. Washington State.

COAST BALL PILOTS

PLAN FOR NEXT YEAR

While it is a far cry to the next Pacific Coast League baseball season, the rival managers already have begun to drop hints as to what they intend doing to their organizations and according to these early intentions, it seems more than probable the baseball enthusiasts of the Coast will see many new faces in the line-ups of the clubs next year.

Oakland, of course, is believed to be destined for the biggest shakeup, owing to the poor showing made by that organization during last season. Manager Del Howard, who assumed the reins in mid-season, when the Oaks were hopelessly out of the race, likely is to reconstruct his entire baseball machine with the possible exception of a few of the men who showed up favorably.

Wolverton, the San Francisco manager, already has begun trying to build up a competent pitching staff, of which he was sadly in need during the 1916 race. He also is in search of a good first baseman and catcher and states that deals are pending for men to fill these places, but he withholds their identity.

To fill the team, Wolverton says he has in view a brother of Fritz Miesel, a former Detroit player, who finished the season with the international league.

Salt Lake loses its two best pitchers in Piery and Fittery, who go to the majors, which at once places this department in the negligible class. Second and third basemen are more likely to find new men defending them next year.

Manager McCredie of Portland has made no secret of the fact that he is not entirely satisfied with the personnel of his team, and is known to have been on the lookout for new material, although he has not said much about what he has done.

Los Angeles and Vernon, which finished first and second respectively in the league, are less likely than any of the other clubs to undergo material changes.

Inter-Island Raises

Pay of Its Stokers

The Inter-Island Steam Navigation Company has increased the pay of the stokers on its boats by ten dollars a month, and twenty-five cents an hour for overtime, according to a report last night to the Japanese newspapers. None of the officers of the steamship company could be located to verify or deny the report.

The stokers, including thirty Chinese and twenty Japanese, it was stated, presented a written demand recently, signed by themselves, for increased wages. They said that the wages of the seamen had been raised but their's had remained stationary. The company, it is reported, saw the justice of the demand and acceded to it.

The Sonoma of the Oceanic line left San Francisco for Honolulu, Pago-Pago and Sydney on Tuesday two hours late. The vessel will probably make it up en route but will not be delayed much here by it, at the worst. Owing to the fact that the Great Northern comes in on the same day, next Monday, the Sonoma has been assigned to Pier 15.

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